Twitter Thread by Justin Kan



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10 months ago we shut down Atrium after raising $75m in venture capital. Anyone hearing that knows I made tons of mistakes along the way. Someone asked me today what my biggest lessons learned were. Here they are:

Start with the mission
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It is very hard to write the mission after the fact. You should start with a clear reason to exist and filter early hires for believers.

Start remote. SFBA is over for startups: the cost of housing and rent gives you much worse operating leverage. Many talented people choose jobs they want to be flexible re: location. Remote is better at this time in the market.

I wrote that before COVID, now it's extra true.

There is no skipping of the R&D phase of a company - if you try to skip this you miss the part where you are forced to develop something differentiated. Very hard to solve this with money.

Don’t build a services company. It’s more work to manage everyone and the reward isn’t there at the end of the day.

Only work on things where you have intrinsic motivation. If you don’t, you’ll lose motivation when times are hard or your own goals change.

The more people you have, the harder it is to bubble up feedback or turn the ship. The emperor has no clothes effect is real.

Adding more money to a situation of lack of product market fit rarely works.

CEOs can’t delegate getting in the trenches in the beginning.

We should have moved more quickly to a flat rate hourly model and iterated the business model. We didn't do enough turns of business model iteration quickly enough.

Ability to frame strategy and communicate it is rare and requires experience.

Should have asked “who are we building for?” much more specifically and ruthlessly iterated for them.

Create market situations wherever possible and avoid “fake markets” where it seems like a market but isn’t. I.e. you employ someone and they kind of have to use your software -- this is a fake market.

Build in a space where the iteration time of your product can be very fast.

The culture is set early and very hard to change.

You can read more in this AMA I dropped on Reddit today: https://t.co/5V0YbAkA2P